CONTACTS FOR SILENT BROADCAST STATIONS:

AM, FM, FM Translator and Booster Stations, Radio Broadcast Experimental Stations:

Requests to Expedite:
James Crutchfield
Audio Services Division
Mail Stop 1800B3, Room 332
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554
FAX: (202) 418-1410

Notification that a station has gone silent or resumed operations:

FM Stations:

Glenn Greisman
Audio Services Division
Mail Stor. 1800B3, Room 332
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554
FAX: (202) 418-1410

AM Stations:

Sharlene Lofty
Audio Services Division
Mail Stop-1800B2, Room 344
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554
FAX: (202) 418-1411

TV, TV Booster, TV Broadcast Experimental Stations (Expedite Requests & Notification):

Doris McGhee
Video Services Division
Mail Stop 1800E1
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554
FAX: (202) 418-2827

Low Power TV, TV Translator Stations (Expedite Requests & Notification):

Hossein Hashernzadeh Video Services Division Mail Stop 1800E2 Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554 FAX: (202) 418-2827

International Broadcasting Stations (Expedite Requests & Notification):

Charles H. Breig Planning & Negotiations Division International Bureau, FCC Mail Stop 0800 C1, Room 872 2000 M Street, N.W. Washington, D.C. 20554 FAX: (202) 418-0398

EXHIBIT 3

PEDERAL COMMICATIONS COMMISSION Washington, D.C. 20554

PCC 96M-168

ORDER

:

Issued: June 28, 1996

Released: July 1, 1996

At the first Prehearing Conference held on June 6, 1996, the parties agreed to negotiate the terms of a Consent Order which would result in the renewal of the license of Southwestern Broadcasting Corporation ("Southwestern"). See Order FCC 96M-151, released June 10, 1996. The ability to grant renewal by February 9, 1997, when silent station licenses will be cancelled by operation of law under the 1996 Telecommunications Act, was conditioned on the Bureau expediting an engineering amendment that was filed by Southwestern on May 7, 1996, after the designation of this case for hearing. The Bureau agreed to cooperate in expediting the amendment. (Tr. 16.)

Two vecks later, on June 21, 1996, the Bureau filed a Motion For Further Prehearing Conference which it asked to be expedited:

to clarify on the record its position with regard to the processing of applications for modification of engineering proposals submitted by licensees after they have been designated for hearing because of their silent status.

Southwestern agreed to participate in such conference on short notice. The Presiding Judge held it on the date agreed, June 27, 1996. Order PCC 96M-166, released June 26, 1996.

The Bureau relies on a policy quoted above, apparently established after June 6, that prohibits the expedited processing of Southwestern's modification application because it was filed after this case was designated for hearing. The written policy which the Bureau relied on in the June 6 Conference is reported in Public Notice, Procedures Announced For Expedited Processing Of Applications Filed By Silent Broadcast Stations (DA 96-818) released May 22, 1996. There seems to be a tension if not a contradiction

The requirement to submit a Status Report on June 28, 1996, is cancelled. Cf. Order FCC 96M-151, supra.

At the June 6th Conference, the Bureau flagged the post hearing timing as a distinguishing feature which made this case "unique." (Tr. 15.)

- 3 -

Southwestern will be permitted to proceed by Motion For Summary Decision. See 47 C.F.R. \$1.251. The Bureau will file a Comment or Opposition in response to Southwestern's Motion For Summary Decision. Since Southwestern desires an initial determination of the issues set in the <u>MDO</u> which assures the right to a hearing that allows time for an appeal, this case will go forward on an expedited schedule as agreed to by the parties.

Accordingly, IT IS ORDERED that Southwestern Broadcasting Corporation SHALL FILE a Motion For Summary Decision by July 3, 1986.

IT IS FURTHER ORDERED that the Mass Media Bureau SHALL FILE by July 5, 1996, a Memorandum of Law and Policy which sets forth with pracision the policy of the Bureau that now precludes an expedited processing of the pending Southwestern application for an upgrade and that has resulted in the Bureau's need to "clarify" its position in accordance with its Motion For Further Prehearing Conference.

IT IS FURTHER ORDERED that the Mass Media Bureau SHALL FILE a Comment or an Opposition to Southwestern's Motion For Summary Decision by July 17, 1996.7

FEDERAL COMMUNICATIONS COMMISSION

Richard L. Sippel Administrative Law Judge

^{*} The Sureau committed on June 6 to support a motion for summary decision if it is "well-grounded." (Tr. 5.)

If it is impracticable to file on July 3, Southwestern may file on July 5, 1996, in which case the response time for the Bureau would be extended to July 19, 1996. However, both parties are urged to file at the earliest dates practicable.

The Memorandum should track and analyze the precise language of the Public Notice (DA 96-818) which procludes the Bursau from expediting Southwestern's post designation application for a new engineering proposal. See HDO Para. 4 and fn. 4. The Bursau also shall square this policy with the acknowledged "main issue" which is to support the "most expeditious resumption of service" (Tr. 8) and the commitment in the Public Notice that "[t]he staff will use its best efforts to act on applications timely."

A copy of this Order was faxed to counsel on date of issuance.

EXHIBIT 4

Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of)	MM DOCKET NO. 96-104
Southwestern Broadcasting Corporation)	File No. BRH-900315UC
For Renewal of License for Station KLZK(FM))	
Brownfield, Texas)	

Appearances

Lawrence J. Bernard, Jr., Esq. on behalf of Southwestern Broadcasting Corporation and Kenneth M. Scheibel, Esq. on behalf of the Chief, Mass Media Bureau

SUMMARY DECISION OF ADMINISTRATIVE LAW JUDGE RICHARD L. SIPPEL

Issued: July 25, 1996 Released: July 29, 1996

1. This case was set for hearing by <u>Hearing Designation Order</u> ("HDO") (DA 96-657), released April 29, 1996. A Prehearing Conference was held on June 6, 1996. The parties represented that they had agreed to negotiate the terms of a Consent Order which might result in the renewal of the license of Southwestern Broadcasting Corporation ("SBC"). In view of the treatment of silent stations under the Telecommunications Act of 1996, an important ingredient to a viable settlement would be an expedited review by the Mass Media Bureau ("Bureau") of an upgrade application which SBC had filed after the case was designated for hearing. An agreed schedule was incorporated into a ruling as recommended by the parties. See Order FCC 96M-151, released June 10, 1996.

Section 403(1) of the Telecommunications Act of 1996 [47 U.S.C. §312(g)] provides for the automatic expiration of licenses if a broadcast station fails to ransmit signals for any consecutive 12-month period. The relevant period of the silence is that of the station and not that of the licensee or facility. Special temporary authorities to remain silent or other such transactions will not toil or extend the 12-month period. Nor can the Commission prevent automatic expiration of a license by waiver. The new law leaves no room to compromise and allows for no discretion. See Commission Order FCC 96-218, released May 17, 1996, 61 Fed. Reg. 28,766 (June 6.

2. On June 21, 1996, the Bureau reported that it had reviewed its policy under the facts of this case and concluded that the amendment sought after the release of the HDO would not be expedited. Cf. Procedures Announced For Expedited Processing Of Applications Filed By Silent Broadcast Stations (DA 96-818), released May 22, 1996 (expediting procedures contemplated where silent stations seek to return to the air). For further clarification, on July 3, 1996, the Bureau filed a Memorandum Of Law And Policy wherein it stated:

Under existing policy, the Bureau will not process a modification application filed after a silent station is designated for hearing. —. The Commission's <u>Public Notice</u> [supra] is a narrow exception to the Bureau's existing policy — not applicable here.

Under the circumstances, SBC was authorized to seek a summary decision. See Order FCC 96M-168, released July 1, 1996.

- 3. On July 5, 1996, SBC filed a Motion For Summary Decision. The Mass Media Bureau's Comments In Opposition To Motion For Summary Decision And Countermotion For Summary Decision was filed on July 19, 1996. On July 24, 1996, SBC advised that it would accept a summary decision based on the present state of the record without filing a responsive pleading to the countermotion.²
- 4. SBC contends that it could not return Station KLZK(FM) to the air because intervening short spacing caused by authorizations to KMMX(FM), KIOL-FM and KKYN-FM prevented SBC's upgrade or downgrade or restoration to Channel 280A. The Bureau contends that under various scenarios of short-spacing SBC has always had an option to return to the air.

FACTS

Actions of Previous Owner

5. Station KLZK(FM) [formerly KKTC(FM)] is licensed to serve Brownfield, Texas as a Class A FM station. The HDO concludes and SBC concedes that the station has been off the air (silent) for seven years. In 1988, the Station's previous owner, Brownfield Broadcasting Corp. ("Brownfield"), informed the Commission that it had suspended operations pending Commission action on its petition to upgrade to a C2 facility and an associated application to relocate the

² See Southwest's Conditional Waiver Of Opposition Rights. The Bureau advises that it does not necessarily concur that under Commission rules there is any right to respond to a countermotion. See 47 C.F.R. §1.253(b) (any other party may file an opposition or a countermotion for summary decision.) See also Summary Decision Procedures, 34 F.C.C. 2d 485, 490 (1972). The Bureau correctly notes that there is no comparable provision in the rule for responding to a countermotion. Since both parties are relying on the same record and the Bureau has not filed any counter-affidavit, there would be no need to consider a responsive pleading and therefore SBC would not be prejudiced.

transmitter site. The rulemaking petition was granted on December 14, 1987. In 1988, Brownfield advised the Commission that it had suspended the Station's operations pending application on the upgrade and approval of a relocation of transmitter site and an increase in power on Channel 282C2. On September 28, 1988, Brownfield's upgrade proposal was accepted by the Bureau in Report and Order, 3 F.C.C. Red 6158 (1988) provided that there was compliance with minimum spacing to an existing Carlsbad, NM site. In October, 1989, Brownfield applied to implement the upgraded facilities. While the 1989 upgrade application was pending, the Station remained silent. On February 23, 1990, Brownfield filed a request to assign the Station to SBC. On March 15, 1990, while that application to assign was pending, Brownfield filed the renewal application which is the subject of this proceeding. The assignment application was granted shortly thereafter and SBC assumed ownership of Station KZLK(FM) on May 4, 1990.

Intervening Short-Spacing

- 6. In December 1990, Station KKYN(FM) (Plainview, TX) was authorized to change frequencies and upgrade to Channel 280C1. KKYN's upgrade would eventually preclude KLZK's resumption of service on its authorized Channel 280A. But SBC still had options to return to the air. See Report and Order (MM Docket 88-571), 4 F.C.C. Rcd 8788 (1989) (KLZK authorized to "continue or reestablish operation" on Channel 280A at anytime until the KKYN upgrade construction permit was issued). The Report and Order also contemplated that KKZK(FM) could thereafter pursue its Channel 282C2 upgrade or file an application to downgrade to Channel 282A in lieu of operating on Channel 280A. See Report and Order 4 F.C.C. Rcd at 8788.
- 7. The options for SBC were narrowed to seeking the Channel 280A downgrade because in March 1992, the month prior to the license grant for Station KKYN(FM), SBC's upgrade application had been dismissed by the Bureau due to short-spacing. (Motion at Exh. H.) No appeal of that dismissal was taken by SBC. Nor was there any corrected application filed for a Channel 282C2 upgrade, or any application for a Channel 282A downgrade prior to the designation of this case for a hearing.
- 8. In a related short-spacing, on March 25, 1988, the Bureau authorized Station KMMX-FM(Lamesa, TX) and Station KIOL-FM (Lamesa, TX) to exchange licenses so that KIOL could broadcast on Channel 262C1 and KMMX could broadcast on Channel 284C1. Both Stations received Special Temporary Authority ("STA") while the Bureau processed an application for permanent authority. (Motion Exh. B.) The STA sites also were short-spaced to the site at which SBC sought to operate KLZK(FM) on upgraded Channel 282C2. SBC represents that the STA authorized facilities were also short spaced to any Class A operation of KLZK(FM) on the same channel, i.e. Channel 282A. The KMMX(FM) facilities were granted successive STAs through September 6, 1996. (Motion at Exh. D.) But there was no effort made by SBC to have the STAs set aside in favor of its desired upgrade.

Actions of Current Owner

9. On July 1, 1990, SBC closed on the purchase of Station KLZK(FM). Crane states that he soon learned of the short-spacing problems through informal conversations with Bureau staff who advised Crane to work it out privately. Crane represents that in 1990 he hired an engineer and made a proposal to Station KIOL(FM) which was never answered. In January 1991, Crane directed a proposal to the Bureau. The Chief of the FM branch responded by letter dated January 30, 1991. (Motion at Exh.G.) In that letter the complexity of the situation was succinctly outlined: SBC was licensed to broadcast on Channel 280A and it was seeking an upgrade by modification application to move to Channel 282C2. By 1991, there had been a competing application filed on top of SBC's renewal application and there would be an unresolved short-spacing if the move to Channel 282C2 was approved. In addition, Crane's proposal would involve a change of frequency for stations in two separate communities which would involve a rule making. In January 1991, the Bureau advised Crane:

[We] encourage the filing of a petition for rulemaking, as such action would provide each party a forum to express its views as well as afford the Commission an opportunity to achieve a comprehensive solution in this matter.

(Motion at Exh G.) SBC did not follow-up on the advice in a manner calculated to return to the air. Nor did SBC obtain an STA to remain silent.

- 10. In 1989, Brownfield had filed an upgrade application. On March 17, 1992, the Brownfield proposal was dismissed by the Bureau as unacceptable for filing. See letter to Southwestern Broadcasting Corp. (Ref. 8920-JAG), dated March 17, 1992. (Motion at Exh. H.) SBC ascribes the dismissal to "relatively minor short-spacing problems unrelated to the KMMX STA operation" which could have been corrected. Crane represents that he did not consider refiling the dismissed application for several years because Crane thought that the operation of KMMX under an STA "made it impossible" to propose any facilities on Channel 282C2 which could serve Brownfield. However, an STA is by nature a temporary arrangement and therefore it can be revoked by the Commission at anytime that a favored upgrade application is filed.³
- 11. On December 2, 1992, the Bureau made a status inquiry of SBC which summarized the history and status of Station KZLK(FM) that presented the Station with three options: First, notify the Bureau that the Station had resumed Class A operations; second, advise the Bureau that operations would be resumed immediately; or third, request an STA to remain silent. (Motion Exh. A.) SBC chose the third option and requested an STA to remain silent for six months or until a permit was issued for an upgrade on Channel 282C2. Despite the advice of the Bureau to pursue the upgrade, no Channel 282C2 application was filed before issuance of the HDO. (Motion at Exh. I.)

³ See 47 C.F.R. §73.1635(b) (STAs may be modified or cancelled without prior notice.)

- 12. Station KLZK(FM) has been silent since before its assignment from Brownfield to SBC with no feasible corrective action taken by SBC until January 6, 1993, when a request was made to remain silent. That request was denied by the Bureau in a letter dated December 1, 1993 due to SBC's failure to submit a detailed timetable for resumption of operations. (Motion at Exh. A.)4 SBC informed the Bureau by letter dated February 21, 1994, that it would not restore service on a Class A channel because "it was not fiscally wise" to do so. (Motion at Exh. M.) Rather, SBC engaged in extended negotiations with the respective owners of KMMX-FM and KIOL-FM in an effort to gain an upgrade. Those negotiations partially succeeded in a rulemaking filed by KIOL-FM for a change of community which removed that short-spacing and the further extension of the STAs. See Notice of Proposed Rulemaking (MM Docket 95-58), 10 F.C.C. Rcd 4945 (1995), adopted 10 F.C.C. Rcd 11,018 (1995). According to the Bureau. that rulemaking was filed after SBC had entered into an agreement with the other licensees on December 31, 1993. (Motion at Exh. K.) The Bureau represents in its Comment that the further extensions of the KMMX and KIOL STAs during the pendency of the rulemaking were based upon SBC's negotiated agreement with those stations. Clearly, SBC was expending its resources in seeking a way to obtain an upgrade because that was perceived to be the most economically efficient way to proceed. It also shows that SBC was determined not to return to the air on a Class A frequency.
- 13. On May 8, 1996, obviously spurred by the HDO's release, SBC filed its Channel 282C2 upgrade application (File No. BPH-960508IA). Crane admits that it was not until after designation that he prepared the application and obtained permission to use a new transmitter site to operate on Channel 282C2. It was also after the designation of the case for a hearing that Crane prepared a projection of expenses and obtained a bank letter dated June 11, 1996, more than a month after the HDO. Crane now estimates, without providing a schedule, that it will take 90 days from renewal to construct and return to air.

CONCLUSIONS OF LAW

14. The Commission's rules provide that in considering a motion for summary decision:

The party filing the motion may not rest upon mere allegations or denials but must show, by affidavit or by other materials subject to consideration by the presiding officer, that there is no genuine issue of material fact for determination at the hearing.

In that same letter, the Bureau cancelled the KMMX-FM and KIOL-FM modification applications and related STAs. That definitive Commission action made it possible for SBC to resume broadcast operations on Channel 282A or to pursue its Channel 282C2 upgrade. The "primary problem" was identified in the letter as short-spacing with another station's proposal. However, the problem was SBC's to resolve and SBC took no action that would be effective under the rule.

47 C.F.R. §1.25(a)(1). The moving party has the burden of establishing that summary decision would be appropriate based on its papers. <u>Summary Decision Procedures</u>, 34 F.C.C. 2d 485, 487-88 (1972). For reasons stated below, it is concluded that SBC has not met its burden and that the facts as to which there is no genuine issue support the countermotion.

- 15. The issues set in the HDO for determination are as follows:
- (1) To determine whether Southwestern Broadcasting Corporation has the capability and intent to expeditiously resume the broadcast operations of KLZK(FM), consistent with the Commission's Rules.
- (2) To determine whether Southwestern Broadcasting Corporation has violated Sections 73.1740 [minimum operating schedule] and/or 73.1750 [discontinuance of operation] of the Commission's Rules.
- (3) To determine, in light of the evidence adduced pursuant to the preceding issues, whether grant of the subject renewal of license application would serve the public interest, convenience and necessity.
- 16. The facts as established by the papers submitted by SBC, as commented on by the Bureau, establish that there is no genuine issue of material fact in the following respects: First, SBC would only return to the air in connection with a C2 upgrade and would not take any steps to return Station KLZK(FM) to the air on a Class A frequency; second, as a result of SBC's failure to file applications for an upgrade on Channel 282C2 in the face of existing STAs and its failure to file an application to return to Channel 280A or to obtain a downgrade on Channel 282A, Station KLZK(FM) chose to remain silent for over six years; third, as a direct result of SBC's strategy to upgrade, Station KLZK(FM) has been silent since SBC acquired it on May 4, 1990.
- 17. It is accepted as a matter of law and policy that special temporary authorizations which result in temporary short-spacing do not preclude the Commission from terminating the STAs in order to remove short-spacing in granting an application for an upgrade. 47 C.F.R. §73.1635(b). See also Conflicts Between Applications and Petitions For Rulemaking, 7 F.C.C. Rcd 4917 n.3 (1992) (upgrade has priority over modification application and associated STA). While the record does not support a finding of intentional abandonment, the failure by SBC over a period of six years to seek authority to upgrade to Channel 282C2, or to use the once assigned Channel 280A, or to apply to downgrade to Channel 282A establish that as of April 29, 1996, the date of the release of the HDO, SBC had neither the capability nor the intent to resume the

broadcast operations of Station KLZK(FM) consistent with the Commission's rules.⁵ It is also determined that SBC has voluntarily violated Sections 73.1740 and 73.1750 of the Commission's Rules.⁶

ORDER

IT IS ORDERED that the Motion For Summary Decision filed on July 5, 1996, by Southwestern Broadcasting Corporation IS DENIED.

IT IS FURTHER ORDERED that the Countermotion For Summary Decision filed on July 19, 1996, by the Mass Media Bureau IS GRANTED.

IT IS FURTHER ORDERED that the renewal application of Southwestern Broadcasting Corporation (File No. BRH-900315UC) for renewal of license for Station KLZK(FM), Brownfield, Texas IS DENIED and the Station's license IS CANCELLED.⁷

FEDERAL COMMUNICATIONS COMMISSION

Richard L. Sippel Administrative Law Judge

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⁵ Without expediting the postdesignation application, SBC probably would not have the capability to return to the air before February 8, 1997, when by operation of law ail licenses to stations which have remained silent since February 8, 1996, shall terminate. See fn.1, supra.

⁶ These rules provide respectively for a required number of broadcast hours and the surrender of license for a discontinued operation.

In the event exceptions are not filed within 30 days after the release of this Summary Decision, and the Commission does not review the case on its own motion, this Summary Decision will become effective 50 days after its public release pursuant to Section 1.276(d).

EXHIBIT 5

96 87/89 14159

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Ti Rick Rhodes From: Los Bernand

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	.) MM Docket N	io. 96-104		
SOUTHWESTERN BROADCASTING CORPORATION)) File No. BRH-	-900315UC		
For Renewal of License for Station KLZK(FM) Brownfield, Texas)))	No.	10 10 10 10 10 10 10 10 10 10 10 10 10 1	:0 :0 :0 :0 :0 :0 :0 :0 :0 :0 :0 :0 :0 :
To: Administrative Law Judge Richard L. Sippel			3 '96	EIVED

MASS MEDIA BUREAU'S MEMORANDUM OF LAW AND POLICY

1. By Order released July 1, 1996, the Presiding Judge directed Bureau counsel to provide a memorandum of law and policy articulating the Bureau's position which precludes expedited processing of modification applications filed by renewal licensees after their license renewal applications have been designated for hearing. Specifically, the Presiding Judge asked the Bureau to explain how such policy was consistent with the Commission's May 22, 1996 Public Notice concerning "Procedures Announced for Expedited Processing of Applications Filed by Silent Broadcast Stations" (DA 96-818) ("Public Notice"), which stated that "[t]he staff will use its best efforts to act on applications timely." Order at fn. 6. The Presiding Judge also asked the Bureau to explain how the terms of the Public Notice preclude consideration of the engineering proposal submitted post-designation by the instant renewal licensee, Southwestern Broadcasting Corporation.

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Under existing policy, the Bureau will not process a modification application filed after a silent station is designated for hearing. The Bureau believes that doing so would undermine its related policy to promptly designate and cancel authorizations for nonoperational stations. If silent stations are permitted to remain silent until the Bureau expends the effort and resources necessary to designate them and can then avoid the consequences by filing a modification application, there will be little if any incentive to return to the air before designation. Such a result is directly contrary to the goal of returning silent stations to the air in an expedited manner. The Commission's Public Notice is a narrow exception to the Bureau's existing policy -- not applicable here. The Commission's Public Notice was clearly directed exclusively at stations which, by virtue of the Telecommunications Act of 1996, will lose their licenses if they remain silent for twelve consecutive months beginning on February 8, 1996. It in no way addressed the situation in the captioned proceeding wherein the licensee faces non-renewal because of matters set forth in the Hearing Designation Order - which in no way are related to the Telecommunications Act of 1996. In other words, the licensee in this case faces non-renewal because of its alleged non-feasance. Like all renewal applicants, the licensee here must demonstrate that its record is consistent with the public interest and necessity and warrants license renewal. That record does not include matters which are the subject of post-designation engineering amendments. The licensee, in a case such as this, is faced with the need to demonstrate that its pre-designation conduct was not dilatory, but,

rather, deserving of renewal. Only if such a showing is made should the Bureau be put to the expenditure of resources necessary to review and process the modification application.

Respectfully submitted, Roy J. Stewart Chief, Mass Media Bureau

Norman Goldstein

Chief, Complaints & Political Programming Branch

Kenneth M. Scheibel, Jr.

Attorney

Mass Media Bureau

Federal Communications Commission 2025 M Street, N.W. Suite 7212 Washington, D.C. 20554 (202) 418-1792

July 3, 1996

CERTIFICATE OF SERVICE

I, Vanessa N. Duffy, hereby certify that I have this 28th day of August, 1996 caused a copy of the foregoing "Motion For Summary Decision" to be delivered by messenger service to the following:

Alan Aronowitz
Federal Communications Commission
Mass Media Bureau
2025 M Street, N.W.
Room 8210
Washington, D.C. 20554

Robert Zauner Federal Communications Commission Mass Media Bureau 2025 M Street, N.W. Room 7212 Washington, D.C. 20554

Vanessa N. Duffy